GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:539
ANSWERED ON:18.11.2016
Cooperatives Banks and Societies
Ahlawat Smt. Santosh;Bohara Shri Ramcharan;Chauhan Shri Devusinh Jesingbhai;Chudasama Shri Rajeshbhai Naranbhai;Jardosh Smt. Darshana Vikram;Kamal Nath Shri ;Patel Smt. Jayshreeben ;Rathod Shri Dipsinh Shankarsinh;Saraswati Shri Sumedhanand;Scindia Shri Jyotiraditya Madhavrao;Shekhawat Shri Gajendra Singh;Sonkar Shri Vinod Kumar

Will the Minister of FINANCE be pleased to state:

(a) the details and number of Cooperative Banks and societies registered as on date including profit/loss posted by these banks and societies during the last three years and current year, State/ UT-wise;

(b) whether most of the Cooperative Banks and societies are facing difficulties due to withdrawal of exemption under Section 80(P) of the Income Tax Act and if so, the details thereof;

(c) whether the Government has any proposal to compensate and provide tax rebate to these banks and societies and if so, the details thereof; and

(d) thesteps taken/being taken by the Government to revive the loss making Cooperative Banks and societies in this regard?

Answer

The Minister of State in the Ministry of Finance

(a): As reported by National Bank for Agriculture & Rural Development (NABARD), there are 33 State Cooperative Banks (StCBs) and 370 District Central Cooperative Banks (DCCBs) in the country as on 31st March 2016.
Details of profit/loss posted by StCBs and DCCBs during the last three years (State-wise), as reported by NABARD are given in Annex-I.
With regard to Urban Cooperative Banks (UCBs), Reserve Bank of India (RBI) has reported that there were 1574 UCBs as on 31 March 2016, out of which 72 UCBs incurred losses, as per the details given in Annex-II.
As regards Cooperative Societies, the same is a State Subject under entry 32 of the State List of Seventh Schedule of the Constitution of India. Therefore, the information/data relating to cooperative societies registered under the concerned State/UT's Cooperative Societies Acts are not available with the Central Government.

There are 1259 multi-State cooperative societies registered under the provisions of Multi State Cooperative Societies Act, 2002. Since these multi-State cooperative societies are functioning as autonomous cooperative organizations accountable to the members, the information regarding profit/loss posted by these societies is not centrally maintained.
(b) & (c): Prior to the amendment of the Finance Act 2006, Section 80P of the Income Tax Act, 1961 provided for a deduction of the whole of the profits in the case of a co-operative society engaged in carrying on the business of banking or providing credit facilities to its members or a cottage industry or the marketing of agricultural produce grown by its members or the processing of the agricultural produce of its members without the aid of power, etc. The amendment made vide Finance Act, 2006 withdrew the deduction available under Section 80P of the Income Tax Act for cooperative banks other than primary agricultural credit societies (PACS) or primary co-operative agricultural and rural development banks (PCARDBs), inter alia, on the grounds that co-operative banks are like any other banks and the principle of mutuality does not apply to them as their area of operation extends even to non-members.
There is no proposal under consideration of the Government to provide any further exemption to cooperative banks.
(d): The steps taken by the Central Government for revival of rural cooperative banks are as under:
i. Based on the recommendation of Vaidyanathan Committee (VC-I), Government implemented a revival package for Short Term Cooperative Credit Structure (STCCS) encompassing legal and institutional reforms, measures to improve the quality of management and financial assistance as necessary for their democratic, self-reliant and efficient functioning. Under the revival package, Government of India released Rs. 9,245 crore. The said package was closed on 30th June, 2011.
ii. Recognizing the need to revamp ailing Cooperative Banks so that they are able to cater to the needs of farmers at their doorstep, the Government in 2014 announced implementation of the Scheme for Revival of 23 Unlicensed District Central Cooperative Banks (DCCBs) in four States viz. 16 in Uttar Pradesh, 3 in Jammu & Kashmir, 3 in Maharashtra and 1 in West Bengal. The total capital infusion required for revival of these 23 DCCBs was assessed to the tune of Rs. 2375.42 crore, out of which the commitment from Central Government would be for Rs. 673.29 crore, for State Governments, Rs.1464.59 crore and for National Bank for Agriculture & Rural Development (NABARD) it would be Rs.237.54 crore. The entire share of Central Government under the Scheme has been released to NABARD for onward transmission to Cooperative Banks according to the terms and conditions prescribed in the Memorandum of Understanding governing the Scheme.

Annex-I referred to in reply to part (a) of USQ No.539 for 18.11.2016

State- wise profit and loss figures for StCBs and DCCBs

2013-14 : StCBs (Audited)

Sr. No.	Name of the State	Net Profit	Net Loss
	Amt. in Rs lakh		
1	CHHATTISGARH	2716.57	0.00
2	MADHYA PRADESH	6559.27	0.00
3	UTTAR PRADESH	4023.55	0.00
4	UTTARAKHAND	713.78	0.00
5	ANDAMAN & NICOBAR	293.56	0.00
6	BIHAR	2412.04	0.00
7	JHARKHAND	0.00	233.45
8	ORISSA	1405.28	0.00
9	WEST BENGAL	0.00	1063.67
10	ARUNACHAL PRADESH	0.00	56.74
11	ASSAM	895.49	0.00
12	MANIPUR	0.00	507.14
13	MEGHALAYA	1934.18	0.00
14	MIZORAM	382.14	0.00
15	NAGALAND	205.59	0.00
16	SIKKIM	259.54	0.00
17	TRIPURA	2608.91	0.00
18	CHANDIGARH	413.36	0.00
19	DELHI	804.00	0.00
20	HARYANA	2197.92	0.00
21	HIMACHAL PRADESH	4068.16	0.00
22	JAMMU AND KASHMIR	149.36	0.00
23	PUNJAB	1728.76	0.00
24	RAJASTHAN	1512.70	0.00
25	ANDHRA PRADESH	8955.72	0.00
26	KARNATAKA	3450.00	0.00
27	KERALA	0.00	6358.40
28	PONDICHERRY	254.84	0.00
29	TAMIL NADU	3221.51	0.00
30	GOA	0.00	1135.75
31	GUJARAT	1392.84	0.00
32	MAHARASHTRA	40051.42	0.00
TOTAL		92610.49	9355.15

2013-14 - DCCBs Audited

Sr. No.	Name of the State	Net Profit	Net Loss
	Amt. in Rs lakh		
1	CHHATTISGARH	9628.55	0.00
2	MADHYA PRADESH	19276.65	0.00
3	UTTAR PRADESH	0.00	2960.82
4	UTTARAKHAND	4661.16	0.00
5	BIHAR	0.00	4085.46
6	JHARKHAND	566.24	0.00
7	ORISSA	7371.34	0.00
8	WEST BENGAL	4139.94	0.00
9	HARYANA	747.23	0.00
10	HIMACHAL PRADESH	2300.63	0.00
11	JAMMU AND KASHMIR	469.27	0.00
12	PUNJAB	3805.33	0.00
13	RAJASTHAN	0.00	194.19
14	ANDHRA PRADESH	6933.84	0.00
15	KARNATAKA	10062.74	0.00
16	KERALA	11144.91	0.00
17	TAMIL NADU	26065.22	0.00
18	GUJARAT	10042.39	0.00
19	MAHARASHTRA	27776.93	0.00
TOTAL		144992.37	7240.47

2014-15 StCBs - Audited

Sr. No.	Name of the State/ UT	Net Profit	Net Loss
	(Amount in Rs. lakh)		
1	Chhattisgarh	1986.06	0.00

2 Madhya Pradesh 7408.96 0.00
3 Uttarakhand 915.50 0.00
4 Uttar Pradesh 4035.15 0.00
5 Andaman & Nicobar 444.23 0.00
6 Bihar 3939.65 0.00
7 Jharkhand 0.00 448.65
8 Odisha 1560.99 0.00
9 West Bengal 6112.94 0.00
10 Arunachal Pradesh 53.79 0.00
11 Assam 774.59 0.00
12 Manipur 0.00 644.20
13 Meghalaya 948.69 0.00
14 Mizoram 389.02 0.00
15 Nagaland 57.56 0.00
16 Sikkim 269.76 0.00
17 Tripura 2803.03 0.00
18 Chandigarh 503.48 0.00
19 Haryana 1622.59 0.00
20 Himachal Pradesh 5985.46 0.00
21 Jammu and Kashmir 252.86 0.00
22 New Delhi 784.21 0.00
23 Punjab 2127.63 0.00
24 Rajasthan 2632.17 0.00
25 Andhra Pradesh 7747.26 0.00
26 Karnataka 3030.00 0.00
27 Kerala 4649.57 0.00
28 Puducherry 0.00 588.73
29 Tamil Nadu 4138.10 0.00
30 Goa 0.00 812.86
31 Gujarat 4461.06 0.00
32 Maharashtra 41059.43 0.00
110693.74 2494.44

*TelanganaStCB was formed on 02 April, 2015

2014-15 - DCCBs (Audited)
(Amount in Rs. lakh)
Sr. No. Name of the State/ UT Net Profit Net Loss

1 Andhra Pradesh 0.00 5924.79
2 Bihar 0.00 2484.48
3 Chhattisgarh 8325.72 0.00
4 Gujarat 8133.42 0.00
5 Haryana 0.00 1765.71
6 Himachal Pradesh 4966.98 0.00
7 Jammu and Kashmir 79.18 0.00
8 Jharkhand 0.00 5683.73
9 Karnataka 7047.18 0.00
10 Kerala 13007.81 0.00
11 Madhya Pradesh 8428.10 0.00
12 Maharashtra 28126.78 0.00
13 Odisha 2940.64 0.00
14 Punjab 1938.00 0.00
15 Rajasthan 1943.78 0.00
16 Tamil Nadu 18738.62 0.00
17 Telangana 2671.89 0.00
18 Uttarakhand 1218.75 0.00
19 Uttar Pradesh 0.00 17980.80
20 West Bengal 4470.64 0.00
Total 112037.49 33839.51

2015-16 StCBs -Provisional (Unaudited)

Sr. No.	Name of the State	Net Profit	Net Loss
	Amt. in Rs lakh		
1	CHHATTISGARH	2154.18	0.00
2	MADHYA PRADESH	5678.02	0.00
3	UTTAR PRADESH	2006.07	0.00
4	UTTARAKHAND	929.66	0.00
5	ANDAMAN & NICOBAR	502.25	0.00
6	BIHAR	3596.58	0.00
7	JHARKHAND	0.00	551.21
8	ORISSA	1665.93	0.00
9	WEST BENGAL	56.60	0.00
10	ARUNACHAL PRADESH	0.00	563.21
11	ASSAM	324.85	0.00
12	MANIPUR	0.00	1254.22
13	MEGHALAYA	1301.52	0.00
14	MIZORAM	624.65	0.00
15	NAGALAND	215.92	0.00
16	SIKKIM	269.75	0.00
17	TRIPURA	2055.91	0.00
18	CHANDIGARH	425.08	0.00
19	DELHI	0.00	822.85
20	HARYANA	2380.00	0.00
21	HIMACHAL PRADESH	14831.53	0.00
22	JAMMU AND KASHMIR	27.92	0.00
23	PUNJAB	1119.98	0.00
24	RAJASTHAN	2194.20	0.00
25	ANDHRA PRADESH	5433.68	0.00
26	KARNATAKA	3145.00	0.00
27	KERALA	2731.49	0.00
28	PONDICHERRY	394.12	0.00
29	TELANGANA	1576.90	0.00
30	TAMIL NADU	5188.00	0.00
31	GOA	0.00	755.53
32	GUJARAT	1808.94	0.00
33	MAHARASHTRA	24262.03	0.00
	GRAND TOTAL	86475.68	3947.02

2015-16 DCCBs Provisional (Unaudited)

Sr. No.	Name of the State	Net Profit	Net Loss
	Amt. in Rs lakh		
1	CHHATTISGARH	5497.85	0.00
2	MADHYA PRADESH	13325.36	8714.26
3	UTTAR PRADESH	8188.77	5681.19
4	UTTARAKHAND	4700.08	0.00
5	BIHAR	1191.96	728.60
6	JHARKHAND	3471.58	114.76
7	ORISSA	14531.04	0.00
8	WEST BENGAL	4185.02	0.00
9	HARYANA	2629.05	1544.67
10	HIMACHAL PRADESH	5846.36	0.00
11	JAMMU AND KASHMIR	261.44	2431.03
12	PUNJAB	2188.05	787.87
13	RAJASTHAN	4203.61	5102.56
14	ANDHRA PRADESH	3899.58	0.00
15	KARNATAKA	13104.31	569.96
16	KERALA	11706.31	0.00
17	TELANGANA	4121.55	0.00
18	TAMIL NADU	43145.84	0.00

19 GUJARAT 12814.82 59.33
20 MAHARASHTRA 33068.38 10839.58
GRAND TOTAL 192080.96 36573.81

Source: NABARD

Annex-II referred to in reply to part (a) of USQ No.539 for 18.11.2016
List of loss making Urban Cooperative Banks (UCBs) as on March 31, 2016

Sr. No.	Bank Name	Net loss in RsCrore
1	Rupee Co-operative Bank Ltd.	-92.9422
2	The Kapol Co-operative Bank Ltd., Mumbai	-27.5389
3	The Navodaya Urban Co-operative Bank Ltd., Nagpur.	-26.7665
4	SahebraoDeshmukh Co-op. Bank Ltd.	-24.2997
5	The Akola Urban Co-operative Bank Ltd., Akola.	-20.1519
6	George Town Co op Bank Limited.	-14.8404
7	Maratha Sahakari Bank Ltd., Bombay	-10.2081
8	Youth Development Coop Bank Ltd., Kolhapur.	-6.7586
9	LoksevaSahakari Bank Ltd.,Pune.	-5.0226
10	Nasik ZillaGirnaSahakari Bank Ltd.,Nasik	-4.8926
11	Trichur Urban Co-operative Bank Ltd.	-4.2711
12	Pollachi Coop. Urban Bank Ltd.	-3.8758
13	Sri Kalahasti Co-operative Town Bank Ltd.	-3.0520
14	Hindu Co-operative Bank Ltd., Pathankot	-2.8881
15	Nedumangad Co-operative Urban Bank Ltd.	-2.8524
16	HCBL Co-operative Bank Ltd., Lucknow	-2.5268
17	R.S.Co-operative Bank Ltd., Mumbai	-2.4223
18	AjinkyataraSahakari Bank Ltd., Satara	-2.3099
19	The Citizens" Co-operative Bank Ltd., Jammu.	-1.9549
20	PudukottaiCoop.Town Bank Ltd.	-1.7143
21	Khardah Co-operative Bank Ltd.	-1.5849
22	Urban Co op Bank Limited Cuttack.	-1.4862
23	BhilwaraMahila Urban Co-op. Bank Ltd.	-1.4476
24	Purasawalkam Coop. Bank Ltd.	-1.3564
25	Mapusa Urban Co-operative Bank of Goa Ltd., Mapusa	-1.3526
26	Kaduthuruthy Urban Co-operative Bank Ltd.	-1.2069
27	Pondicherry Coop. Urban Bank Ltd.	-0.9693
28	Sawantwadi Urban Co-op. Bank Ltd.	-0.8872
29	The Jalna People"s Co-operative Bank Ltd., Jalna.	-0.8304
30	Ponani Co-operative Urban Bank Ltd.	-0.5866
31	Raj LaxmiMahila Urban Co-Operative Bank Ltd.	-0.5170
32	Kerala Mercantile Co-operative Bank Ltd.,Kozhikode	-0.4984
33	Ananthasayanam Co-operative Bank Ltd.	-0.4916
34	Tellicherry Co-operative Urban Bank Ltd.	-0.4612
35	Dr.BabasahebAmbedkar Urban Co-operative Bank Ltd., Nagpur.	-0.4151
36	ShatabdiMahilaSahakari Bank Ltd., Thane	-0.4061
37	Karamana Co-operative Urban Bank Ltd.	-0.3865
38	Vaniyambadi Town Coop bank Ltd.	-0.3623
39	Hiriyur Urban Co-operative Bank Ltd., Hiriyur	-0.3601
40	Sikar Urban Co Op Bank Ltd.	-0.3541
41	ShivneriSahakari Bank Ltd., Koregaon, Satara	-0.3529
42	Vellala Coop Bank Ltd.	-0.3469
43	Chandgad Urban Coop. Bank Ltd., Chandgad, Kolhapur	-0.3444
44	Sri MallikarjunaPattanaSahakari Bank Niyamita, Maski	-0.2642
45	The AnjangaonSurjiNagariSahakari Bank Ltd., AnjangaonSurji.	-0.2517
46	Daund Urban Co-Operative Bank Ltd., Daund	-0.2396
47	Brahmawart Commercial Co-operative Bank Ltd.	-0.2333
48	ShreeramSahakari Bank Ltd., Mumbai	-0.2110
49	LokapavaniMahilaSahakari Bank Niyamitha, Mandya	-0.2039
50	Madura Sourashtra Co-Op Bank Ltd.	-0.2006
51	Imperial Urban Co-operative Bank Ltd., Faizabad	-0.1816
52	Raichur City Urban Co-operative Bank Ltd., Raichur	-0.1784
53	Bhavani Urban Co-operative Bank Ltd., Georai.	-0.1660
54	Kamaraj coop Town Bank Ltd. Polur.	-0.1572
55	Navanirman Co-operative Urban Bank Ltd.,	-0.1517
56	TumkurPattanaSahakara Bank Niyamitha, Tumkur	-0.1196
57	Dr.ShivajiraoPatilNilangekar Urban Co-operative Bank Ltd., Nilanga.	-0.1010
58	ThiruvaikuntamCo op Urban Bank Ltd.	-0.0952

59 Gokul Co-operative Urban Bank Ltd., Secunderabad -0.0905
60 Jagruti Co-operative Bank Ltd., Belgaum -0.0886
61 Payyanur Co-operative Town Bank Ltd. -0.0722
62 Big KancheepuramCo op Town Bank Limited. -0.0646
63 Kallidaikurichi Coop Urban Bank Limited. -0.0633
64 Tanur Co-operative Urban Bank Ltd. -0.0596
65 Kedarnath Urban Co-operative Bank Ltd., Latur. -0.0592
66 Musiri Urban Co-operative Bank Ltd., Musiri. -0.0578
67 Sri Bharathi Co-operative Urban Bank Ltd., Hyderabad -0.0354
68 Cuddalore&Villipuram DCCB Employees Co-Op.Bank Ltd. -0.0322
69 Rajasthan Urban Co-Operative Bank Ltd., Jaipur -0.0285
70 Imperial Urban cooprative Bank Ltd.Jalandhar -0.0269
71 Ramakrishna Mutually Aided Co-operative Urban Bank Ltd.,Nidadavole -0.0178
72 KolikataMahila Co-Operative Bank Ltd., -0.0093
Source: RBI